(घ) व्यापार और उद्योग से इस आशय से अभ्यावेदन प्राप्त हुए हैं जिनमें योजना के कुछेक उपबन्धों में परिवर्तन करने का निवेदन किया गया है। तथापि, यह मामला भारत के माननीय उच्चतम न्यायालय में न्यायनिर्णयाधीन है और फिलहाल कोई नीतिगत परिवर्तन करने का विचार नहीं है।

Income-tax exemption Benefit for Corporations

4509. SHRI RAM DAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to restore the income tax exemption benefits on divided and capital gains from funds or companies which have been invested in infrastructure projects, as reported in the Hindustan Times dated 10th July, 1998;

(b) if so, the details thereof indicating the date proposed to be fixed for tax exemption; and

(c) by when, the Finance Bill is likely to be amended and the Income Tax Act modified in order to restore the income tax exemption benefits to corporates etc.?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAN): (a) Yes, Sir.

(b) The Income-tax exemption for divided and the capital gains for the companies investing in the infrastructure projects has been restored by way of Government amendment to the Finance (No. 2) Bill, 1998. The Finance (No. 2) Bill, 1998 has since been passed by both the Houses of Parliament. It is to be clalrified that the provisions of section 10(23G) of the Income-tax Act as it stood before amendment by the Finance (No. 2) Bill, 1998, will continue to apply for assessment year 1999-2000 in relation to the investiments made upto 31.5.1998. The provisions as proposed in the Finance (No. 2) Bill, 1998 shall apply for investments made on or after 1.6.1998 for assessment year 1999-2000 and onwards.

(c) In view of (b) above, does not arise.

सूचनादाताओं को पुरस्कृत करने का उपबंध

4510. **श्री मनोहर कान्त ध्यानी:** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि लगभग दो माह पूर्व उत्तर प्रदेश के सहारनपुर में एक व्यक्ति की सूचना के आधार पर मारे गए एक छापे में एक करोड़ रुपये से अधिक की नकदी प्राप्त हुई थी;

(ख) क्या ऐसे सूचनादाता को प्राप्त की गई नकदी में से एक निश्चित प्रतिशत की राशि देने का प्रावधान है;

(ग) यदि हां, तो वह प्रतिशत क्या है;

(घ) क्या यह सच है कि सहारनपुर का आयकर अधिकारी सूचनादाता से मोलभाव का एक लाख या दो लाख रुपए लेने तथा शेष राशि उसे देने की बात कर रहा है; और

(ङ) यदि हां, तो ऐसे अधिकारी के विरुद्ध क्या कार्यवाही की जा रही है, और सूचनादाता को उसका अंश कब तक प्राप्त करा दिया जाएगा?

वित्त मंत्रालय में राज्य मंत्री (श्री आर० जर्नादनम): (क) जैसा कि प्रश्न में उल्लिखित है कि गत दो माह की अवधि के भीतर सहारनपुर में ऐसा कोई छापा नहीं मारा गया था।

(ख) से (ङ) प्रश्न के भाग (क) के उत्तर को देखते हुए प्रश्न के इन भागों के उत्तर का प्रश्न नहीं उठता।

Steps to Enhance Confidence of Investors

4511. DR. Y. LAKSHMI PRASAD: Will the Minister of FINANCE be pleased to state:

(a) the steps taken to win over investor confidence worldwide to restore business confidence in the country to overcome the sanctions imposed by the United States; and

(b) the other urgent measures taken to open more areas to foreign investment and minimise clearance needs?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Our Missions/Posts abroad are maintaining close contacts with local governmental and non-governmental establishments, businessmen and commercial entities, media, NRIs/PIOs etc. With a view to

briefing them appropriately about our economic situation, macro economic fundamentals, stability and India's economic potential and attractiveness as a trade and invetment partner. The Missions are actively mounting efforts to give publicity to them, including through holding or participating in investment promotion seminars etc.

(b) The policy towards the foreign direct investment (FDI) is a dynamic policy aimed at progressively liberalising the FDI regime with a view to encouraging foreign investment in priority areas so as to make the Indian economy globally competitive. It is constantly reviewed taking into account the suggestions received from various quarters. The government has taken several initiatives in this direction, some of which are:

(i) Mining sector opened for automatic approval by RBI upto 50%

(ii) Extension of list of industries for automatic approval upto 51% expanded and certain sectors opened for automatic approval upto 74% equity. Total no. items for automatic approval enlarged from 35 to 60.

(iii) Foreign equity participation in electric generation, transmission and its distribution from hydroelectric, coal/lignite based, oil based, gas based thermal power plants has been allowed upto 100% under automatic approval provided the foreign equity in these projects does not exceed Rs. 1500 crores.

(iv) In the NBFC sector, FDI has been allowed in 16 activities at different levels.

(v) New guidelines have been issued on 11 June, 1998 by the Ministry of Civil Aviation about FDI in the civil aviation sector.

FIIs Permitted to Invest in Secondary Market

4512. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) the names of FIIs that are permitted to invest in the secondary market of stock exchanges in the country;

(b) the names of the countries where the FIIs are registered; and

(c) the conditionalities, if any, for permitting the FIIs to invest in the country's secondary market of stock exchanges?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The information is being collected and will be laid on the Table of the House.

(c) The investment by the Foreign Institutional Investors (FIIs) in the Indian Capital Market are subject to an individual investment ceiling of 10% and an aggregate investment ceiling for all FIIs of 24% of the issued and paid-up capital of the Company. The ceiling of 24% can be enhanced by the investee company subject to specified special procedures. The operations of the FIIs are governed by the Securities and Exchange Board of India's Foreign Institutional Investors Regulations of 1995.

Recommendation of Khan Group on Mergers

4513. SHRI KRISHNA KUMAR BIRLA:
DR. B.B. DUTTA:
SHRI JANARDHANA POOJARY:

Will the Minister of FINANCE be pleased to state:

(a) whether the RBI had set up a Khan working group to given freedom to banks and financial institutions to explore gainful mergers etc;

(b) if so, the details of recommendations made by the Khan working group and on the basis of these recommenda-